P-407/CP-90-723 ORDER DENYING PETITION AND REQUIRING FURTHER FILINGS

## BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Darrel L. Peterson Chair Cynthia A. Kitlinski Commissioner Dee Knaak Commissioner Norma McKanna Commissioner Patrice M. Vick Commissioner

In the Matter of a Petition for Extended Area Service from the Dodge Center to the Claremont Exchange, the West Concord to the Claremont Exchange, and the Dodge Center to the West Concord REQUIRING FURTHER FILINGS Exchange of Contel of Minnesota, Inc.

ISSUE DATE: July 12, 1991

DOCKET NO. P-407/CP-90-723

ORDER DENYING PETITION AND

# PROCEDURAL HISTORY

On September 26, 1990, the Commission received a petition for extended area service (EAS) among the West Concord, Claremont, and Dodge Center exchanges of Contel of Minnesota, Inc. (Contel or the Company). Each of these exchanges is contiguous with the others.

On November 7, 1990, Contel filed traffic studies for each of the six possible traffic patterns among the exchanges.

On November 19, 1990, the Department of Public Service (the Department) filed its report.

The matter came before the Commission on June 18, 1991.

### FINDINGS AND CONCLUSIONS

# The West Concord/Claremont Exchange

The traffic studies between West Concord and Claremont showed that less than 50% of the customers in each of these exchanges placed one or more calls per month to the other exchange. Traffic between these exchanges therefore fails to meet the traffic criterion under Minn. Stat. § 216B.161 (1990). Because the proposed West Concord/Claremont EAS route has failed to meet the statutory EAS traffic standard, the Commission will deny this portion of the petition.

# The Dodge Center/Claremont and Dodge Center/West Concord Exchanges

Studies indicated that traffic among these exchanges met or exceeded the 50% traffic criterion of Minn. Stat. § 216B.161. These proposed routes have passed the first two statutory criteria for EAS, adjacency and traffic volume. The Commission will therefore order Contel to submit cost studies and proposed rates for these routes. This will allow the petitioners to implement the third criterion of the EAS statute, a poll of customers in the petitioning exchanges.

#### ORDER

- 1. The petition pertaining to the proposed West Concord/Claremont EAS route is denied.
- 2. Within 60 days of the date of this Order, Contel shall file cost studies and proposed rates for the Dodge Center/West Concord and Dodge Center/Claremont routes with the Commission and the Department and shall serve a copy on the petition sponsor. The cost studies shall show:
  - a. Rates when the costs are assigned 50% to each exchange;
  - b. Rates when the costs are assigned 75% to one of the exchanges in the route and 25% to the other exchange, and vice versa.
  - c. Costs of installing each route separately, and the costs of installing the two routes simultaneously.
- 3. Within 45 days of receipt of the cost studies and proposed rates, the Department shall file a report.
- 4. Parties who wish to comment on the Department report shall do so within 20 days of the Department's filing of the report.
- 5. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Richard R. Lancaster Executive Secretary

(S E A L)